GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2
ANSWERED ON:30.11.2015
LPG Network
Ajmal Shri Sirajuddin;Biswas Shri Radheshyam;Choudhary Shri Ram Tahal;Goud Dr. Boora Narsaiah;Hari Shri G.;Panda Shri Baijayant "Jay";Rajoria Dr. Manoj

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether there is an acute shortage of LPG cylinders in the country including North Eastern States and if so, the details thereof and the fund sanctioned/spent in rural/scheduled areas in the country during the last three years, State/UT-wise;
(b) the steps taken by the Government to expand LPG network/agencies/ dealership in the country including North Eastern States to balance demand and supply of LPG cylinders, State/UT-wise;
(c) whether the Government proposes to withdraw LPG subsidy or end up the subsidized LPG facility for selective people in the country and if so, the details thereof along with number of persons who left the LPG subsidy and quantum of subsidy saved by the Government under "Give it up" scheme;
(d) the details of cases of black marketing/diversion/overcharging/ underweight/ irregular home delivery of LPG cylinders reported in the country along with measures taken to check black marketing/irregularities in distribution of LPG cylinders, State/UT/OMC-wise;
(e) whether the Government has conducted any flash raids at LPG distribution agencies and their godown to curb this malpractice in the country including Jharkhand and if so, the details thereof along with number of such cases identified where prior information of raids is leaked by Oil Marketing Companies (OMCs) and follow-up action taken by the Government, State/UT/OMC-wise;
((f) the details of mechanism/guidelines prescribed in the Direct Benefit Transfer Scheme (DBTL)/PAHAL for LPG consumers and number of consumers enrolled/benefitted; and
(g) the steps taken by the Government to credit LPG subsidy under DBTL/ PAHAL for all genuine recipients in the country along with success made by the Government to reduce the subsidy expenditure and quantum of subsidy saved after introduction of DBTL?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)
(a) Public Sector Oil Marketing Companies(OMCs) have reported that there is no scarcity or shortage of LPG cylinders in the country including North Eastern States.
(b) OMCs aim to increase the National LPG coverage to 75 % with minimum 60 % coverage at State level and at least one distributor in each block by 2019. To increase the penetration in rural and backward areas, Oil Marketing Companies(OMCs) are appointing new LPG distributors and more than 97 % of blocks are being catered by at least one LPG distributorship.
(c) At present, there is no such proposal under consideration.
However, Government has launched an initiative to encourage domestic LPG consumers, who can afford to pay the market price for LPG, to voluntarily surrender their LPG subsidy. As on 26.11.2015, more than 50 lakhs consumers have voluntarily given up/surrendered subsidy on LPG. Every LPG consumer, who surrenders LPG subsidy, is linked to a BPL household who gets LPG connection in turn.
(d) State/UT-wise details of established cases of irregularities including black marketing/ diversion/ overcharging/ underweight/ irregular home delivery of cylinders by LPG distributors, in the last three years and the current year (till October, 2015) are given at Annexure I.
In all established cases of irregularities, action is taken against the erring distributors as per provisions of prevailing Marketing Discipline Guidelines(MDG) and distributorship agreement.
OMCs are vigilant to prevent and take action against irregularities against LPG distributors. OMCs also carry regular surprise inspections at distributors premises, conduct refill audits, surprise checks at customers premises, en-route checking of delivery vehicles etc.
(e) Public Sector Oil Marketing Companies (OMCs) have reported that inspections are carried out by their Field Officers, Anti Adulteration Cell and Vigilance Department at LPG godowns and showrooms of LPG distributorships of the country including Jharkhand.
OMCs have not received any established cases where prior information of raids is leaked by their officials.
State/UT-wise details (including Jharkhand) of number of inspections carried out in the last three years and current year (till October, 2015) are given at Annexure II.
(f) & (g)) LPG consumers who join the PAHAL scheme, get the LPG cylinders at market price and receive LPG subsidy (as per their entitlement) directly into their bank accounts. To join PAHAL, all domestic LPG consumers have been given two alternatives in the scheme. If LPG consumer has Aadhaar number, he/ she requires to link it to his/ her LPG consumer ID and bank account. Alternatively, he/ she can
link his bank account directly to his/her LPG consumer ID. As on 26.11.2015, 14.59 crore have joined the PAHAL Scheme. Subsidy under PAHAL scheme is normally transferred electronically within 48 hours.
The amount of LPG subsidy provided during FY 2014-15 was Rs. 40591 crore as against the subsidy of Rs. 52231 crore during FY 2013-14, which amounts to a saving of Rs. 11,640 crore. This saving in subsidy is mainly due to fall in oil prices and implementation of PAHAL Scheme.